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Docket No. 242

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

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PROPOSED
CODE OF FAIR COMPETITION
FOR THE
COTTON COMPRESS & WAREHOUSE INDUSTRY
WITH
AMENDMENTS AND ADDITIONS
PROPOSED BY
THE AGRICULTURAL ADJUSTMENT ADMINISTRATION
AND
THE NATIONAL INDUSTRIAL RECOVERY ADMINISTRATION

This Proposed Code of Fair Competition for the Cotton Compress & Warehouse Industry in its present form was submitted by representatives of the industry as a basis of a public hearing. The amendments and additions following will be presented at the hearing by the Agricultural Adjustment Administration and the National Industrial Recovery Administration. Nothing contained herein is to be regarded as having received the approval of the Agricultural Adjustment Administration or the National Industrial Recovery Administration.

I hereby certify that these are true and correct copies of the Code of Fair Competition for the Cotton Compress & Warehouse Industry, as submitted by representatives of the industry, and the Proposed Amendments and Additions as submitted by the Agricultural Adjustment Administration and the National Industrial Recovery Administration.

(Signed) James K. Knudson
Chief Hearing Clerk

Dated: September 15, 1934

Washington, D. C.

PROPOSED
CODE OF FAIR COMPETITION

for the

COTTON COMPRESS & WAREHOUSE INDUSTRY

Revision of August 27, 1934
by the Industry.

ARTICLE I

Purposes

To effect the policies of Title I of the National Industrial Recovery Act, this Code is established as a Code of Fair Competition for the Cotton Compress & Warehouse Industry, and shall be binding upon every member thereof.

ARTICLE II

Definitions

As used in this Code, the terms:

Section 1.

"President", "Act", "Secretary", "Administrator", and "Department" means respectively the President of the United States, Title I of the National Industrial Recovery Act, the Secretary of Agriculture, or his duly appointed agent, the Administrator for Industrial Recovery, or his duly appointed agent, and the U. S. Department of Agriculture.

Sec. 2

"Cotton Compress and Warehouse Industry" or "Industry" means the business of storing and/or warehousing and/or concentrating and/or compressing and/or conditioning cotton for hire, with such associated handling thereof as is incidental to storage and compress operations.

Sec. 3

"Warehouse" means all these facilities, including any building, structure, or other protected enclosure used for storing cotton, for hire, or which is hereafter used for storing cotton for hire.

Sec. 4

"Compress" means all those facilities used for hire in concentrating and/or compressing cotton to a higher density, with the associated equipment incident to such operations.

Sec. 5

"Facility" means any warehouse or compress and any combination of

a compress and a warehouse as defined in Sections 3 and 4, with associated equipment, operated as an independent unit.

Sec. 6

"Member of the Industry" or "Member" includes, without limitation any person, municipality, state or federal agency, and their subsidiaries, engaged for hire in the business of warehousing and/or compressing cotton as defined in Section 2 of this Article, located on and West of the Mississippi River, and East of that river, South of the Ohio and Potomac Rivers but including East St. Louis, Ill.

Sec. 7

"Person" includes without limitation any individual, partnership, corporation, association, and any other business unit.

Sec. 8

"Subsidiary" means any person of or over whom or which a member of the Industry has, either directly or indirectly, actual or legal control, whether by stock ownership or in any other manner.

Sec. 9

"Port Cotton Compress and/or Warehouse", or "Port" includes all such facilities located at cities from which cotton is or may be shipped in deep draft vessels in coastwise and/or foreign commerce and at present includes the following cities: Norfolk, Wilmington, Charleston, Savannah, Brunswick, Jacksonville, Pensacola, Mobile, Gulfport, New Orleans, Lake Charles, Beaumont, Houston, Galveston, Texas City, Corpus Christi, San Pedro, San Diego and Stockton.

Sec. 10

"Interior Cotton Compress and/or Warehouse" or "Interior" includes all such facilities except those located at Port Cities.

Sec. 11

"Division" means any one of the groups of facilities designated as (a) Port compresses and/or warehouses, (b) Interior warehouses without compress facilities, and (c) all other compress and warehouse facilities.

Sec. 12

"Cotton Bale" or "Bale" means any bale of cotton without reference to its shape or density. "Square" or "Flat" bale means a bale of rectangular form. In comparing round bales with square bales or in computing the number of bales received, handled, stored, or merchandized by a facility, round bales shall be counted as half bales.

Sec. 13

"Uncompressed", "Gin or Flat bale" means a bale having a density of approximately 12 to 15 pounds per cubic foot.

Sec. 14

"Standard Density" means a bale having a density of approximately 22 to 26 pounds per cubic foot.

Sec. 15

"High Density" means a bale having a density of approximately 32 to 40 pounds per cubic foot.

Sec. 16

"Cotton Standards Act" means the U. S. Cotton Standards Act passed March 4, 1923, as amended.

Sec. 17

"Warehouse Act" means the U. S. Warehouse Act of August 11, 1916, as amended.

Sec. 18

"Employee" includes any and all persons engaged in the industry, however compensated, except a member of the trade.

Sec. 19

"Employer" means any person by whom such employee is compensated or employed.

Sec. 20

"Watchman" includes any employee whose principal function is watching and guarding the premises and property of any establishment of a member of the Industry.

Sec. 21

"Labor Provisions" means all those matters relating to the determination and administration of hours of labor, rates of pay, and other conditions of employment within the Industry, under the jurisdiction of the Administrator.

Sec. 22

"State" includes Territory and the District of Columbia.

Sec. 23

"Population" for the purpose of this Code shall be determined by reference to the latest Federal Census.

ARTICLE III

Hours and Wages

Section 1. Maximum Hours.

No employee shall be permitted to work in excess of forty-eight (48) hours in any one week or ten (10) hours in any twenty-four (24) hour period, except as herein otherwise provided. A normal work day shall not exceed eight (8) hours. In any week and not to exceed seventeen (17) weeks in a calendar year, no employee shall be permitted to work in excess of fifty-six (56) hours per week; provided, however, that all time so worked in excess of forty-eight (48) hours per week shall be compensated at one and one-third ($1\frac{1}{3}$) times the normal hourly rate.

Sec. 2. Exceptions.

The provisions of Section 1 shall not apply,

1. To employees engaged in emergency maintenance or emergency repair work involving breakdowns, or the protection of life or property.

Provided, however, that employees engaged in such emergency maintenance or emergency repair work shall be paid at one and one-third ($1\frac{1}{3}$) times their normal rate for all hours in excess of forty-eight (48) hours per week.

2. To persons employed in a managerial or executive capacity who earn regularly thirty-five dollars per week or more.

3. To any other class of employees which the Administrator shall find, upon application of true representatives of the trade or industry, shall be subject to exemption or modification, in accordance with the National Recovery Administration policy, or

4. To foremen, engineers, superintendents, department heads, warehouse men, weighers, firemen and watchmen.

Sec. 3. Minimum Wages.

The minimum rates of pay shall be as follows:

1. Interior cotton compress and warehouse facilities and interior warehouse facilities, as herein defined, twenty (20¢) cents per hour.

2. Port cotton compress and/or warehouse facilities and port warehouse facilities, as herein defined, twenty-five (25¢) cents per hour.

3. Provided the provisions of this section shall not prohibit the employment at lower rates of pay of a person whose earning capacity is limited because of age, physical or mental handicap, or other infirmity, who may be employed on light work at a wage below the limit herein established;

4. Provided further, that the minimum wage established herein shall not apply to female employees unless such employees are performing substantially the same work as male employees; in all other cases the rates of pay for female employees not performing the same work as male employees shall be as follows:

(a) Interior cotton compress and warehouse facilities, or interior warehouse facilities, as herein defined, fifteen cents (15¢) per hour.

(b) Port cotton compress and/or warehouse facilities, or port warehouse facilities, as herein defined, twenty cents (20¢) per hour.

Sec. 4. Wages in General.

All wages shall be adjusted so as to maintain a differential at least as great in amount as that existing on June 16, 1933, between wages for such employment and the then minima. In no case shall there be any reduction in hourly rates; nor in weekly earnings for any reduction in hours of less than thirty per cent.

ARTICLE IV

Conditions of Labor

Section 1. Child Labor.

No person under sixteen years of age shall be employed in the industry in any capacity. No person under eighteen years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator for approval a list of such operations or occupations. In a State an employer shall be deemed to have complied with this provision as to age if he shall have on file a valid certificate or permit duly signed by the authority in such state, empowered to issue employment or age certificates or permits, showing that the employee is of the required age.

Sec. 2. Apprentices.

The hours and wages of regularly indentured apprentices in skilled trades or occupations of the industry may depart from the standards hereinabove prescribed; provided that the terms of employment and the course of instruction of such apprentices shall conform to standards uniform throughout the trade or industry and approved by the Administrator.

Sec. 3. Handicapped persons.

A person whose earning capacity is limited because of age, physical or mental handicap, or other infirmity, may be employed on light work at a wage below the minimum established by this Code, if the employer obtains from the State Authority designated by the United States Department of Labor, a certificate authorizing such persons's employment at such

wages and for such hours as shall be stated in the certificate. Such authority shall be guided by the instructions of the United States Department of Labor in issuing certificates to such persons. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

Sec. 4. Safety and Health.

Every employer shall make reasonable provisions for the safety and health of his employees at the place and during the hours of their employment.

Sec. 5. Required Labor Clauses.

The provisions of 7 (a) of said Act are hereby incorporated herein by this reference, and shall be complied with, provided, that no person seeking employment shall be required to be a member of any union as a condition of employment, and employee shall be free to refrain from becoming a member of any union.

ARTICLE V.

Organization, Powers and Duties of the Code Authority

Section 1. Code Authority.

1. A Code Authority shall be established for the purpose of assisting in the administration, supervision and promotion of the performance of the provisions of this Code. Except as the jurisdiction of the Secretary and the Administrator may hereafter be changed pursuant to order of the President, the Code Authority shall assist the Administrator in all matters relating to the administration of provisions in this Code relating to hours of labor, rates of pay, and other conditions of employment and shall assist the Secretary in all matters relating to the administration of all the other provisions of this Code.

2. The Code Authority shall consist of nine (9) members and shall be constituted forthwith upon the approval of this Code in the following manner:

(a) For the purpose of selecting members of the Code Authority the facilities of the industry shall be grouped in three (3) divisions made up as follows:

- (1) All those interior facilities consisting of warehouses only;
- (2) All those interior facilities consisting of a compress alone or in combination with a warehouse;
- (3) All those compress and/or warehouse facilities at port cities.

Members shall be entitled to vote in each division in proportion to the number of facilities controlled by him in such division or divisions. Each of the respective divisions shall elect three members of the Code Authority, equitably distributed geographically to represent the different interests of the industry, and alternates to each to serve until May 31, 1934, and annually thereafter.

No members of the industry shall be represented directly or indirectly on the Code Authority by more than one member of that Committee. An alternate may sit in all meetings of the Code Authority without vote except in the absence of the member he replaces.

(b) Divisional Authority. The three members of the Code Authority elected by each division shall constitute the Divisional Code Authority and each shall exercise for its respective division all the powers and duties hereafter assigned to such divisional Code Authority.

(c) Representatives of the Secretary and Administrator. In addition to the membership of the Code Authority, as provided above in subsection b-1 of this section, the Secretary and the Administrator may each appoint not more than three representatives to serve for such terms as they may specify, to sit without vote in all meetings of the National Code Authority and each of the Divisional Authorities, and, when requested by them, in regional committees that may be created, for which purpose they shall receive due notice of the meetings of all such bodies, in reasonable time to permit their attendance at such meetings. Each representative shall receive a copy of all minutes and reports of any and all of these bodies and shall have access to all books, records and data open to those bodies and to his principal.

3. Restrictions by Associations. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall (1) impose no inequitable restrictions on membership, and (2) submit to the Secretary and the Administrator true copies of its Articles of Association, By-Laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Secretary or Administrator may deem necessary to effectuate the purposes of the Act.

4. Right to Modify Code Authority. In order that the Code Authority shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Secretary or the Administrator may prescribe such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority, or take such other actions as the evidence adduced at the hearing may warrant.

Provided, however, that if any modification depriving any division hereby created, of its autonomy, or changing the requirement as to unanimous vote of the three divisions for National Code Authority action, is prescribed by the Secretary or by the President under Section 1-1 of this Article, then, by two-thirds vote of its members, any division may terminate said code as to such division.

5. Officers and Finances.

(a) The Code Authority and each of its Divisional Authorities shall have the right to employ such salaried officers and employees as may be required for the purposes of this Code, subject to the approval by the Secretary and the Administrator of budget and plans for raising funds as hereafter provided in this sub-section.

(b) It being found necessary, in order to support the administration of this code and to maintain the standards of fair competition established by this Code and to effectuate the policy of the Act, the Code Authority is authorized, subject to the approval of the Secretary and/or the Administrator:

(1) To incur such reasonable obligations as are necessary and proper for the foregoing purposes and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

(2) To submit to the Secretary and/or the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary, an itemized budget of its estimated expenses for the foregoing purposes, and an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Industry;

(3) After such budget and basis of contribution have been approved by the Secretary and/or the Administrator, to determine and secure equitable contribution as above set forth by all such members of the Industry, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(c) Only members of the Industry complying with the Code and contributing to the expenses of the administration as provided in Section 1 hereof shall be entitled to participate in the selection of the members of the Code Authority or to receive the benefit of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

Funds for the maintenance of the Code Authority shall be levied by the respective Divisional Authorities on a per bale basis of the cotton received in the preceding quarter which ended with July, October, January, and April; provided, that such assessment shall not amount to less than two (\$2.00) dollars per year for members who in the preceding year, which ended on July 31, handled less than 500 bales. Such funds shall be used not only to meet the expenses of the Divisional Code Authority, but also of its members when acting with the National Code Authority, and also to meet its prorated part of any general expenses of this latter body.

6. Responsibility of Members of Code Authority. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be

liable to anyone for any action or omission to act under this Code, except for his own malfeasance or non-feasance.

7. Suspension of Actions of Code Authority. If the Secretary or the Administrator shall determine as to matters subject to their respective jurisdiction that any action of the Code Authority or any agency thereof may be unfair, or unjust, or contrary to the public interest the Secretary or the Administrator, as the case may be, may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or Agency, pending final action which shall not be effective unless the Secretary or the Administrator approves, or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

Section 2. Powers and Duties.

1. In all matters relating to the administration of the provisions of this Code except as the jurisdiction of the Secretary and the Administrator may hereafter be changed, pursuant to the order of the President, the National Code Authority shall have the following powers and duties, the exercise of which, relating to hours of labor, rates of pay, and other conditions of employment, shall be reported to the Administrator, and all other provisions unless otherwise specified, shall be reported to the Secretary.

(a) The National Code Authority of nine Members, acting as a body or through the Chairman or other delegated member of each Divisional Authority, shall be the coordinating body of the industry and the contact agency between the three Divisional Authorities, and between those bodies and the Secretary and/or the Administrator, and shall be limited to the following duties and powers:

To consider the welfare of the industry as a whole and to represent its interest where required, and to call general meetings of the industry.

To use its good offices toward the adjustment of conflicts of interests between two or more divisions of the industry.

To maintain and transmit to the Secretary and/or the Administrator and their representatives, Minutes and such other records of its meetings as may be requested.

Provided: that all actions taken by the National Code Authority shall be by a unanimous vote of the representatives of each of the three Divisional Authorities; provided, further, that in any vote by a Divisional Authority, the concordant vote of two members shall represent the judgment of that body.

2. Each of the Divisional Code Authorities shall have the following powers and duties, but with respect to its own division only:

(a) Regional Committees. The Divisional Code Authorities, each at its discretion, may appoint such regional committees as it deems necessary and covering such areas as it may designate, to assist in the administration of the provisions of this Code.

(b) Subject to such rules and regulations as may be issued by the Secretary and/or Administrator, they shall insure the execution of the provisions of this Code, and provide for the compliance of the members of the industry with the provisions of the Act.

(c) Adopt By-Laws, rules and regulations for its procedure and for the administration and enforcement of the Code.

(d) Obtain from members of the industry such information and reports as may be required for the administration of the provisions of this Code; provided that nothing in this Code shall relieve any member of the trade of any existing obligation to furnish reports to any Government Agency.

No such individual reports shall be disclosed to any other member of the trade or any other party, except as may be required by law or by judicial process.

(e) Use, with the approval of the Secretary and/or the Administrator, such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided herein; provided, that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with provisions hereof.

(f) Make recommendations to the National Code Authority for the coordination of the administration of this Code with such other codes, if any, as may be related to the industry or affect the members of this industry.

(g) Recommend to the National Code Authority, any action or measures deemed advisable, including amendments to this Code.

(h) Investigate and prepare reports upon complaints of alleged violations of this Code, issue warnings to violators, and in case of flagrant violations, or when requested, submit reports and recommendations thereon to the Secretary and/or Administrator, through the National Code Authority. Provided, that if a member or alternate of the Code Authority or any of its subsidiary agencies under this Code shall in any case be a party charged with violation of this Code (or the representative of such party), he shall, for the purposes of the investigation of said allegation and determination of the issue, be deprived of all his rights, duties, and privileges as a member or alternate of the Code Authority.

(i) Cooperate with the Secretary and/or the Administrator in regulating the use of any National Recovery Administration insignia solely by those members of the trade who have assented to and are complying with this Code.

(j) Each Divisional Authority shall promptly send copies of the minutes of all its meetings to each of the other Divisional Authorities, to the National Code Authority, and to the representatives of the Secretary and the Administrator. All matters submitted to the Secretary and/or the Administrator shall be transmitted through the National Code Authority.

ARTICLE VI.

Unfair Methods of Competition

The following practices, together with such additional practices not herein contained, as may be submitted by the National Code Authority, with the concurrence of each divisional Code Authority and of seventy-five percent of the Members of the industry, and approved by the Secretary, constitute unfair methods of competition and are prohibited:

Section 1. Excess Sampling.

To take or permit to be taken any pickings or unwarranted sample or any sample in excess of sixteen ounces, made up of eight ounces from each side, from any bale in the custody of a member, unless a larger sample has been authorized in writing by the owner.

Sec. 2. False Weights.

To report false weights for cotton or to improperly weight cotton for any purpose, or to state the weights on a warehouse receipt without actual determination of such weight by the member or his employee.

Sec. 3. Unwarranted Credit.

To extend unwarranted credit growing out of usual warehouse and compress charges against the cotton in an effort to influence volume.

Sec. 4. Official Classers.

To offer a cotton classification service to the public, after July 1, 1935, without providing for patrons of the member, the service of a cotton classer licensed by the Secretary under the United States Cotton Standards Act or the United States Warehouse Act.

Sec. 5. Issue of Tags and Receipts.

To fail to assign to each bale of cotton warehoused by a member, an individual tag, or to issue or aid in issuing a warehouse receipt when the cotton for which a receipt is issued has not actually been received by or is not under the actual control of the one issuing such receipt at the time of the issuance thereof.

Sec. 6. Deception and Subterfuge.

To describe the methods used, facilities furnished, or services rendered by a member, or to quote rates of charge, or to state terms and conditions of service in a manner that is misrepresentative, or that has a

tendency or capacity to deceive customers or prospective customers as to the true character thereof in any particular.

ARTICLE VII.

General

Section 1. Modification by the President.

This Code and all the provisions thereof are expressly made subject to the right of the President of the United States, in accordance with the provisions of subsection b of Section 10 of the Act, from time to time, to cancel, or modify any order, approval, license, rule or regulation issued under said Act; provided, that prior to any such change the industry shall be given due notice and a proper hearing with regard to any such proposed cancellation or modification, and provided further, that such change shall be subject to the reservation contained in paragraph 4 of Section 1 of Article V and Article VIII hereof.

Sec. 2. Amendments.

This Code may be amended at any time for the better effectuation of the purposes and policies of Title 1 of the National Industrial Recovery Act upon the unanimous recommendation of the National Code Authority and the approval of the Secretary and/or the Administrator, each as to the provisions over which he has jurisdiction.

Sec. 3. Relation to Existing Laws and Regulations.

Nothing in this Code shall in any way conflict with or be construed as conflicting with the Cotton Standards Act, or the Warehouse Act, or of the statutes of any State, or rules and regulations thereunder, or other statutes relating to raw cotton, in so far as applicable to this industry, and any provisions of this Code shall be construed as in addition to requirements under those acts and regulations.

Sec. 4. Monopolies.

No provisions of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

Sec. 5. Effective Date.

This Code shall become effective on the second Monday after its approval by the President.

ARTICLE VIII.

The Members of the industry submitting, signing or subscribing to this Code expressly reserve the right to question at any time the constitutionality of the Act, any provision of this Code, amendment thereto, modification thereof, or action thereunder, it being expressly understood that

no action on their part in submitting, signing, subscribing to, or observing such code shall constitute a waiver of any constitutional right.

NOTICE IS HEREBY GIVEN OF THE FOLLOWING AMENDMENTS AND ADDITIONS THAT WILL BE PROPOSED BY THE AGRICULTURAL ADJUSTMENT ADMINISTRATION TO THE DRAFT OF CODE OF AUGUST 27 FOR THE COTTON COMPRESS AND WAREHOUSE INDUSTRY, PROPOSED BY REPRESENTATIVES OF THE INDUSTRY AND AUTHORIZED FOR PUBLIC HEARING BY THE SECRETARY AND THE ADMINISTRATOR. DISCUSSION AND TESTIMONY ON THESE AMENDMENTS AND ADDITIONS WILL BE INVITED AT THE HEARING. (ADDED MATERIAL UNDERSCORED)

ARTICLE II -- DEFINITIONS

1. Section 6. After the word "subsidiaries", insert "and affiliates."

2. Insert as section 9: "Affiliate" means any person who or which has, either directly or indirectly, actual or legal control of or over a member of the Industry, whether by stock ownership or in any other manner.

Make appropriate changes in numbering of subsequent sections.

3. Insert as section 21: "Books and Records" means any books; records, accounts, contracts, documents, memoranda, papers, correspondence, or other written data pertaining to the business of the member in question.

4. Article V, sec. 2, subsec. 2, paragraph (d): After the word "Code" in the second line, change semi-colon to comma and insert: "and to provide for submission by members of such information and reports as the Secretary and/or the Administrator may deem necessary for the purposes recited in section 3 (a) of the Act, which information and reports shall be submitted by members to such administrative and/or other Government agencies as the Secretary and/or the Administrator may designate."

5. Article V, sec. 2, subsec. 2, paragraph (g), at the end after the word "Code", insert "and measures for industrial planning."

6. Article V, sec. 2, subsec. 2, insert as paragraph (h): "Compile, as of the end of each quarter ended with the last day of July, October, January, and April on forms to be provided by the National Code Authority the rates of charges for each class or group of service of each warehouse and/or compress. These data shall be further analyzed to show the maximum, minimum, and average charge for each service or group of services specified for each division, which analysis may be further subdivided by geographical areas. Such summary information shall be given to the daily and trade press and shall be generally available to the public."

Make appropriate changes in the numbering of succeeding paragraphs.

7. Article VI. Privileges of Outside Agencies in Warehouses:

Section 1. To permit other than employees of the warehouse to

perform any service in cotton in the custody of a member, except:

(a) Representatives of a federal and/or state agency working under official authorization.

(b) Persons licensed by the Secretary, or an agency approved by him to perform a particular service or services.

(c) Representatives of the Inspection Department of Cotton Exchanges, for the particular purpose for which he is licensed, or authorized; Provided such service by persons other than the employees of the warehouse, except the official representatives of state and/or federal agencies and the representatives of the Inspection Department of an Exchange, shall present authorization in writing from the owner of the cotton for the service contemplated.

8. Change Article VI, section 1, to section 2, and change the words "sixteen" and "eight" in the second line, to "twelve" and "six".

9. Increase the numbers of Article VI, sections 1, 2, 3, and 4, to 2, 3, 4, and 5, respectively.

10. Article VI, section 5 as renumbered, insert in the first line after the words "Classification service to" the words "patrons of the member and/or", and in the second line omit the words "for patrons of the member" and the comma at the end.

11. Article VI. Insert as section 6: Stretching Warehouse Capacity. To receive cotton for storage at any time and place, except under a serious emergency, and then subject to the approval of the Code Authority, for a period longer than ten (10) days, in excess of the storage capacity of the warehouse controlled by the member.

12. Article VI. Insert as section 7: Credit Loose Samples to Patrons. To fail to credit any loose cotton accumulated by a member, to the account of patrons, either directly, where identifiable, or on a prorata basis according to the baleage received from each patron.

13. Change the number of Article VI, section "5" to "8" and section "6" to "9".

14. Article VI, section 8, as renumbered. Change the title to "Deception, Subterfuge, Discrimination and Bribery."

Change period at the end to a semi-colon and add: or to discriminate in rates of charge for like service between patrons, or to offer or make confidential or secret rates of charge or terms of service, or to make or offer to make, by any device, terms of service to certain customers or prospective patrons that are more advantageous than are offered or made to all patrons or prospective patrons for like services; or to give, pay, promise to give or pay, either directly

or indirectly to any patron or the employ of any patron or of an associated agency any rebate, gift, gratuity, or special service or favor or reward of any kind beyond the regular and published charges and terms for corresponding services. Provided, that nothing in this section shall be construed to interfere with or prevent the distribution to members and patrons of cooperative associations, of dividends or reserves from properly earned incomes.

15. Article VII. Insert as section 2: Reports. The members of the industry shall severally, from time to time upon the request of the Secretary (or the Administrator in the case of information relating to hours of labor, rates of pay, and other conditions of employment) furnish such information to such Federal and State agencies on and in accordance with forms of reports supplied to them (which reports shall be verified under oath) as the Secretary or the Administrator may designate and require (1) for the protection of consumers, competitors, employees, and others, and in furtherance of the public interest, and (2) for the determination by the Secretary or the Administrator of the extent to which the declared policy of the Act is being effectuated by this Code.

Nothing in this Code shall relieve any person of existing obligations to furnish reports to Government agencies.

No individual reports shall be disclosed to any other member of the industry or any other party unless required by law or judicial process.

16. Increase the numbers of article VII, section 2, 3, 4, and 5, to 3, 4, 5, and 6, respectively.

NOTICE IS HEREBY GIVEN OF THE FOLLOWING AMENDMENTS AND ADDITIONS THAT WILL BE PROPOSED BY THE NATIONAL RECOVERY ADMINISTRATION TO THE DRAFT OF CODE OF AUGUST 27, FOR THE COTTON COMPRESS AND WAREHOUSE INDUSTRY PROPOSED BY REPRESENTATIVES OF THE INDUSTRY AND AUTHORIZED FOR PUBLIC HEARING BY THE SECRETARY AND THE ADMINISTRATOR. DISCUSSION AND TESTIMONY ON THESE AMENDMENTS AND ADDITIONS WILL BE INVITED AT THE HEARING.

- Item 1. - Standard Week -- No employee shall be permitted to work more than six (6) days in any seven (7) day period.
- Item 2. - Employment by Several Employers -- No employer shall knowingly permit any employee to work for any time which, when added to the time spent at work for another employer or other employers in this Industry, exceeds the maximum permitted herein.
- Item 3. - Office and Clerical Employees -- No clerical or office employee shall be paid in any pay period less than at the following schedule of wages:
 - (a) Sixteen (16) dollars per week in cities of over 1,000,000 population or in the immediate trade area thereof.

(b) Fifteen (15) dollars per week in cities of 500,000 to 1,000,000 population or in the immediate trade area thereof.

(c) Fourteen (14) dollars and fifty (50) cents per week in cities of 250,000 to 500,000 population or in the immediate trade area thereof.

(d) Fourteen (14) dollars per week in cities of 2,500 to 250,000 population or in the immediate trade area thereof.

(e) Twelve (12) dollars per week in all other places.

Item 4. - Piecework Compensation - Minimum Wages.

(a) This Article establishes minimum rates of pay which shall apply, irrespective of whether an employee is actually compensated on a time rate, piece-work, or other basis.

(b) All time worked, except by watchmen, on Sundays and nationally observed legal holidays shall be compensated at not less than one (1) and one-third (1/3) times the normal hourly rate.

Item 5. - Evasion through Subterfuge -- No employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge so as to defeat the purposes or provisions of the Act or of this Code.

Item 6. - State Laws. -- No provision in this Code shall supersede any State or Federal law which imposes on employers more stringent requirements as to age of employees, wages, hours, of work, or as to safety, health, sanitary or general working conditions, or insurance, or fire protection, than are imposed by this Code.

Item 7. - Posting -- All employers shall post and keep posted copies of this Code in conspicuous places accessible to all employees. Every member of the Industry shall comply with all rules and regulations relative to the posting of provisions of Codes of Fair Competition which may from time to time be prescribed by the Administrator.

Item 8. - Fines and Deductions -- Wages shall be exempt from fines, charges and/or deductions except with the written consent of the employee or when required by law.

